

a cost of over \$1.5 billion. There are now 78 such palaces or residences in Iraq for use by Saddam, his family, or close supporters.

For example, the Mosul palace complex includes two areas; one with five palaces and two offices or apartment buildings; the other with three completed palaces and a fourth under construction on a newly excavated, man-made lake. The estimated postwar cost of expanding this complex is between \$170-\$230 million.

One of the largest and most elaborate palaces in Iraq is in the Lake Tharthar complex; its estimated size of about 300,000 square feet is about five times the size of the White House and one and one-half the size of Versailles. Other buildings on the compound, including residence and service and security facilities, add at least another 150,000 square feet to the complex. The estimated cost of this complex is \$180-\$240 million.

An additional \$230-\$310 million has been spent since the end of the war adding new wings with elaborate archways to the Baghdad Republican Palace, a building which serves as the official palace and symbol of the regime.

In addition to diverting scarce resources away from needed purchases of humanitarian goods, Saddam and his family capitalize on their official positions in Iraq for personal profit, often at the expense of their own citizens.

For example, members of Saddam's family, particularly his son Uday, control extensive business interests in Iraq. Some family members exploit the economic distortions caused by UN sanctions by importing goods into Iraq for resale at exorbitant prices. Saddam's relatives also are involved in illicit oil exports from Iraq and use the proceeds, in part, to line their own pockets. Finally, relief supplies donated by the international community also have ended up for sale in stores reserved for the elite friends of the regime.

#### A LOOK AHEAD

In closing, Mr. Chairman, I would like to stress several points.

First, UN sanctions against Iraq have accomplished much. Iraq's capacity to produce weapons of mass destruction has been dismantled; weapons have been destroyed; the border with Kuwait has been recognized; there are clear constraints on what Iraq can do to intimidate its neighbors. The effectiveness of sanctions is directly attributable to their multilateral nature. Here, the value of the United Nations, and the importance of international cooperation in defense of common interests, is clear.

Second, the continued effectiveness of sanctions cannot be taken for granted. We have indicated that we would use the veto, if necessary, to prevent sanctions from being lifted prematurely. But to be most effective, sanctions must be enforced, and that is much harder to do unilaterally. This is a major reason we have argued so strongly, in the context of Bosnia and elsewhere, that the integrity of UN sanctions must be respected.

Third, the value to our interests of sharing appropriate, but sensitive, information with United Nations bodies has been demonstrated clearly in this case. And those who lapse into derisive generalities about the quality and capabilities of UN organizations should recognize that UNSCOM has performed its complex tasks extremely well despite difficult and at times dangerous conditions.

America's position on Iraq sanctions has been consistent, principled and grounded in a realistic and hard-won understanding of the nature of the Iraqi regime.

Our policy will not change until and unless Iraq does everything the UN Security Coun-

cil says it must. As President Clinton stated in his most recent report to Congress on this subject:

Iraq is still a threat to regional peace and security . . . I continued to be determined to see Iraq comply fully with all its obligations under the UNSC resolutions. I will oppose any relaxation of sanctions until Iraq demonstrates its overall compliance with the relevant resolutions. Iraq should adopt democratic processes, respect human rights, treat its people equitably and adhere to basic norms of international behavior.

I should add that the Administration appreciates the strong and bipartisan support it has had from Congress with respect to our policy towards Iraq. This has been, and will remain an essential ingredient to that policy's success.

Thank you once again for the opportunity to be here today. I look forward to any questions you might have.

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

#### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

#### REPORT ENTITLED "SUSTAINABLE ENERGY STRATEGY: CLEAN AND SECURE ENERGY FOR A COMPETITIVE ECONOMY"—MESSAGE FROM THE PRESIDENT—PM 73

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Energy and Natural Resources.

#### *To the Congress of the United States:*

Throughout this century, energy has played a prominent role in American progress. The rise of the great industrial enterprises, the ascendance of the automobile, the emergence of environmental awareness, and the advent of the truly global economy all relate to the way that society produces and uses energy. As we face the opportunities and challenges of the next century, energy will continue to exert a powerful influence on our Nation's prosperity, security, and environment.

Energy policies that promote efficiency, domestic energy production, scientific and technological advances, and American exports help sustain a strong domestic economy. The need to protect the environment motivates our continual search for more innovative, economic, and clean ways to produce and use energy. And although oil crises have receded into memory, their poten-

tial for harming our economy and national security remains.

Our Administration has actively pursued a national energy policy since January 1993. We have engaged in an active dialog with thousands of individuals, companies, and organizations. Informed by the dialogue, we have committed the resources of the Department of Energy and other agencies to ensure that our policy benefits energy consumers, producers, the environment, and the average citizen.

This report to the Congress, required by section 801 of the Department of Energy Organization Act, highlights our Nation's energy policy. The report underscores our commitment to implement a sustainable energy strategy—one that meets the needs of today while expanding the opportunities for America's future. By implementing a sustainable strategy, our energy policy will provide clean and secure energy for a competitive economy into the 21st century.

WILLIAM J. CLINTON.

THE WHITE HOUSE, August 4, 1995.

#### REPORT OF THE DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY OPERATING BUDGET FOR FISCAL YEAR 1996—MESSAGE FROM THE PRESIDENT—PM 74

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Governmental Affairs.

#### *To the Congress of the United States:*

In accordance with section 106(a) of the District of Columbia Financial Responsibility and Management Assistance Authority Act of 1995, I am transmitting the District of Columbia Financial Responsibility and Management Assistance Authority's operating budget for FY 1996.

The Authority's request for its FY 1996 operating budget is \$3.5 million. This budget was developed based on a estimated staffing level of 35 full-time employees. After reviewing the budgets and staffing levels of other control boards, the Authority believes this staffing level is the minimum necessary to carry out its wide range of fiscal, management, and legal responsibilities.

This transmittal does not represent an endorsement of the budget's contents.

WILLIAM J. CLINTON.

THE WHITE HOUSE, August 4, 1995.

#### MESSAGES FROM THE HOUSE

At 9:41 a.m., a message from the House of Representatives, delivered by one of its clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate: